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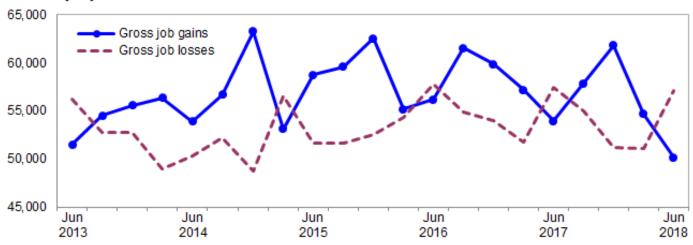
# **Business Employment Dynamics in Arkansas – Second Quarter 2018**

From March 2018 to June 2018, gross job losses in private sector establishments in Arkansas totaled 57,117, while gross job gains numbered 50,184, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that gross job losses exceeded gross job gains by 6,933. In the previous quarter, gross job gains exceeded gross job losses by 3,584. (See chart 1.)

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See the Technical Note for more information.)

Gross job losses in Arkansas rose in the latest quarter after decreasing or remaining unchanged in the three quarters prior to June 2018. In the latest quarter, gross job losses increased by nearly 6,000, to the highest level since June 2017. (See chart 1.) Gross job gains fell for the second consecutive quarter, down by 4,529 in the three months ended in June 2018 to 50,184. This was the lowest quarterly gain since the series inception in September 1992.

Chart 1. Private sector gross job gains and losses in Arkansas, June 2013–June 2018 by quarter, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Gross job losses represented 5.6 percent of private sector employment in Arkansas in the quarter ended in June 2018, while nationally gross job losses accounted for 5.8 percent of private sector employment. (See chart 2.) With few exceptions, Arkansas's rate of gross job losses has been below the national rate since the series began in September 1992. The state's rate of gross job gains was 5.0 percent in June 2018, the lowest rate of gross job gains since the series inception. Nationally, the rate of gross job gains accounted for 6.1 percent of private sector employment.

Rate of gross job gains Rate of gross job losses 7.0 7.0 United States United States Arkansas Arkansas 6.5 6.5 6.0 6.0 5.5 5.5 5.0 5.0 4.5 4.5 June June

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Arkansas, June 2013-June 2018, seasonally adjusted

During the second quarter of 2018, gross job losses exceeded gross job gains in 6 of the 10 industry sectors in Arkansas. The professional and business services sector had the largest net job loss during the quarter. This sector created 8,868 jobs at opening and expanding establishments, but lost 12,129 jobs at closing and contracting establishments, for a net loss of 3.261 jobs. In leisure and hospitality, opening and expanding establishments created 8,309 jobs, while closing and contracting establishments lost 10,289 jobs, resulting in a net loss of 1,980 jobs. The only other sector to show a net loss greater than 1,000 jobs was retail trade, which saw 6,545 gross job gains, but 8,044 gross job losses. (See table 1.)

June

2018

June

2013

2014

June

2015

June

2016

June

2017

2018

In contrast, gross job gains exceeded gross job losses in four industry sectors in Arkansas. Education and health services had a net employment gain of 654, with 7,372 jobs added at opening and expanding establishments and 6,718 jobs lost at closing and contracting establishments. The remaining three sectors each had net job gains that were less than 500.

### Additional statistics and other information

June

2013

June

2014

Source: U.S. Bureau of Labor Statistics.

June

2015

June

2016

June

2017

BED data for the states have been included in table 2 of this release. For more information on the Business Employment Dynamics data, visit the BED web site at www.bls.gov/bdm/.

The Business Employment Dynamics release for Third Quarter 2018 is scheduled to be released on Wednesday, April 24, 2019 at 10:00 a.m. (EDT).

## **Technical Note**

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW), or the ES-202 program. The BED data are compiled by the U.S. Bureau of Labor Statistics (BLS) from existing QCEW records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by unemployment insurance (UI) laws, and to pay quarterly UI taxes. The QCEW is based largely on quarterly UI reports which are sent by businesses to the State Workforce Agencies (SWAs). These UI reports are supplemented by two additional BLS data collections to render administrative data into economic statistics. Together these data comprise the QCEW and form the basis of the Bureau's establishment universe sampling frame.

In the BED program, the quarterly QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding establishments and jobs lost at closing and contracting establishments.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment.

Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

The formal definitions of employment changes are as follows:

*Openings*. These are either establishments with positive third month employment for the first time in the current quarter, with no links to the prior quarter, or with positive third month employment in the current quarter following zero employment in the previous quarter.

*Expansions*. These are establishments with positive employment in the third month in both the previous and current quarters, with a net increase in employment over this period.

*Closings*. These are either establishments with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

*Contractions*. These are establishments with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

Information in this release will be made available to sensory impaired individuals upon request: voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Private sector gross job gains and losses by industry, Arkansas, seasonally adjusted

Category		Gross job	gains and j	ob losses		Gross job gains and job losses as a percent of employment (3 months ended)				
	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018
Total private <sup>(1)</sup>										
Gross job gains	53,955	57,887	61,837	54,713	50,184	5.4	5.8	6.1	5.4	5.0
At expanding establishments	44,190	47,622	49,379	43,203	41,545	4.4	4.8	4.9	4.3	4.1
At opening establishments	9,765	10,265	12,458	11,510	8,639	1.0	1.0	1.2	1.1	0.9
Gross job losses	57,494	55,030	51,164	51,129	57,117	5.7	5.5	5.1	5.0	5.6
At contracting establishments	48,964	46,115	39,957	42,732	48,657	4.9	4.6	4.0	4.2	4.8
At closing establishments	8,530	8,915	11,207	8,397	8,460	0.8	0.9	1.1	0.8	8.0
Net employment change (2)	-3,539	2,857	10,673	3,584	-6,933	-0.3	0.3	1.0	0.4	-0.6
Construction										
Gross job gains	4,525	4,669	4,972	4,174	4,168	8.7	9.2	9.8	8.0	8.2
At expanding establishments	3,543	3,925	3,968	3,014	3,409	6.8	7.7	7.8	5.8	6.7
At opening establishments	982	744	1,004	1,160	759	1.9	1.5	2.0	2.2	1.5
Gross job losses	4,840	5,156	4,645	4,909	4,018	9.3	10.1	9.1	9.5	7.9
At contracting establishments	3,899	4,378	3,792	4,146	3,357	7.5	8.6	7.4	8.0	6.6
At closing establishments	941	778	853	763	661	1.8	1.5	1.7	1.5	1.3
Net employment change (2)	-315	-487	327	-735	150	-0.6	-0.9	0.7	-1.5	0.3
Manufacturing										
Gross job gains	4,374	4,557	4,989	4,349	3,992	2.7	2.9	3.2	2.7	2.5
At expanding establishments	4,151	4,358	4,748	4,085	3,853	2.6	2.8	3.0	2.5	2.4
At opening establishments	223	199	241	264	139	0.1	0.1	0.2	0.2	0.1
Gross job losses	4,252	3,708	3,569	3,232	4,433	2.7	2.4	2.3	2.0	2.7
At contracting establishments	4,116	3,424	2,824	3,007	4,229	2.6	2.2	1.8	1.9	2.6
At closing establishments	136	284	745	225	204	0.1	0.2	0.5	0.1	0.1
Net employment change (2)	122	849	1420	1,117	-441	0.0	0.5	0.9	0.7	-0.2
Wholesale trade										
Gross job gains	2,325	2,768	3,455	2,607	2,028	5.0	5.9	7.3	5.6	4.3
At expanding establishments	1,822	2,245	2,933	2,107	1,626	3.9	4.8	6.2	4.5	3.4
At opening establishments	503	523	522	500	402	1.1	1.1	1.1	1.1	0.9
Gross job losses	2,845	2,293	2,314	2,159	2,548	6.1	5.0	4.9	4.5	5.4
At contracting establishments	2,277	1,754	1,646	1,763	2,054	4.9	3.8	3.5	3.7	4.4
At closing establishments	568	539	668	396	494	1.2	1.2	1.4	0.8	1.0
Net employment change (2)	-520	475	1,141	448	-520	-1.1	0.9	2.4	1.1	-1.1
Retail trade										
Gross job gains	7,149	7,651	7,128	7,231	6,545	5.0	5.4	5.1	5.1	4.7
At expanding establishments	6,249	6,475	5,964	6,078	5,349	4.4	4.6	4.3	4.3	3.8
At opening establishments	900	1,176	1,164	1,153	1,196	0.6	0.8	0.8	0.8	0.9
Gross job losses	7,895	7,785	7,837	7,256	8,044	5.6	5.5	5.6	5.1	5.7
At contracting establishments	6,747	6,529	6,685	6,366	7,156	4.8	4.6	4.8	4.5	5.1
At closing establishments	1,148	1,256	1,152	890	888	0.8	0.9	0.8	0.6	0.6
Net employment change (2)	-746	-134	-709	-25	-1,499	-0.6	-0.1	-0.5	0.0	-1.0
Transportation and warehousing										
Gross job gains	2,574	2,366	3,132	2,677	2,428	4.9	4.5	5.9	5.0	4.5
At expanding establishments	2,259	1,887	2,713	2,317	2,116	4.3	3.6	5.1	4.3	3.9
At opening establishments	315	479	419	360	312	0.6	0.9	0.8	0.7	0.6
Gross job losses	2,140	2,431	1,888	2,401	2,356	4.1	4.6	3.5	4.5	4.3
At contracting establishments	1,826	2,148	1,409	1,976	2,069	3.5	4.1	2.6	3.7	3.8
At closing establishments	314	283	479	425	287	0.6	0.5	0.9	0.8	0.5
Net employment change (2)  Financial activities	434	-65	1244	276	72	0.8	-0.1	2.4	0.5	0.2
Gross job gains	2,371	2,302	2,321	2,517	2,641	4.8	4.6	4.7	5.1	5.2
At expanding establishments	1,812	1,748	1,733	1,883	1,934	3.7	3.5	3.5	3.8	3.8
At opening establishments	559	554	588	634	707	1.1	1.1	1.2	1.3	1.4
Gross job losses	2,333	2,363	2,010	2,076	2,296	4.7	4.8	4.1	4.2	4.6
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Table 1. Private sector gross job gains and losses by industry, Arkansas, seasonally adjusted - Continued

Category		Gross job	gains and j	ob losses		Gross job gains and job losses as a percent of employment (3 months ended)				
	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018
At contracting establishments	1,786	1,720	1,432	1,494	1,758	3.6	3.5	2.9	3.0	3.5
At closing establishments	547	643	578	582	538	1.1	1.3	1.2	1.2	1.1
Net employment change (2)	38	-61	311	441	345	0.1	-0.2	0.6	0.9	0.6
Professional and business services										
Gross job gains	9,550	11,794	10,571	8,695	8,868	6.7	8.2	7.3	5.8	6.1
At expanding establishments	8,013	9,214	8,435	7,164	7,272	5.6	6.4	5.8	4.8	5.0
At opening establishments	1,537	2,580	2,136	1,531	1,596	1.1	1.8	1.5	1.0	1.1
Gross job losses	12,465	10,397	8,823	9,044	12,129	8.7	7.3	6.1	6.1	8.3
At contracting establishments	10,883	8,825	6,965	7,537	10,492	7.6	6.2	4.8	5.1	7.2
At closing establishments	1,582	1,572	1,858	1,507	1,637	1.1	1.1	1.3	1.0	1.1
Net employment change (2)	-2,915	1,397	1,748	-349	-3,261	-2.0	0.9	1.2	-0.3	-2.2
Education and health services										
Gross job gains	8,161	7,155	8,022	7,938	7,372	4.4	3.9	4.3	4.2	4.0
At expanding establishments	6,631	6,271	6,656	6,029	6,317	3.6	3.4	3.6	3.2	3.4
At opening establishments	1,530	884	1,366	1,909	1,055	0.8	0.5	0.7	1.0	0.6
Gross job losses	6,306	6,885	6,910	7,367	6,718	3.4	3.8	3.7	3.9	3.6
At contracting establishments	5,196	5,491	5,175	5,642	5,356	2.8	3.0	2.8	3.0	2.9
At closing establishments	1,110	1,394	1,735	1,725	1,362	0.6	0.8	0.9	0.9	0.7
Net employment change (2)	1,855	270	1,112	571	654	1.0	0.1	0.6	0.3	0.4
Leisure and hospitality										
Gross job gains	8,925	10,861	10,195	9,857	8,309	7.6	9.4	8.6	8.3	7.1
At expanding establishments	6,550	8,672	8,278	7,027	6,557	5.6	7.5	7.0	5.9	5.6
At opening establishments	2,375	2,189	1,917	2,830	1,752	2.0	1.9	1.6	2.4	1.5
Gross job losses	9,918	9,213	9,085	8,461	10,289	8.5	7.9	7.7	7.2	8.7
At contracting establishments	8,719	7,927	7,059	7,441	8,819	7.5	6.8	6.0	6.3	7.5
At closing establishments	1,199	1,286	2,026	1,020	1,470	1.0	1.1	1.7	0.9	1.2
Net employment change (2)	-993	1,648	1,110	1,396	-1,980	-0.9	1.5	0.9	1.1	-1.6
Other services (3)										
Gross job gains	1,857	1,940	2,218	1,821	1,848	7.8	8.1	9.2	7.6	7.8
At expanding establishments	1,360	1,379	1,674	1,391	1,419	5.7	5.8	6.9	5.8	6.0
At opening establishments	497	561	544	430	429	2.1	2.3	2.3	1.8	1.8
Gross job losses	1,929	1,934	1,952	2,025	1,889	8.0	8.0	8.1	8.5	8.0
At contracting establishments	1,493	1,517	1,330	1,482	1,441	6.2	6.3	5.5	6.2	6.1
At closing establishments	436	417	622	543	448	1.8	1.7	2.6	2.3	1.9
Net employment change (2)	-72	6	266	-204	-41	-0.2	0.1	1.1	-0.9	-0.2

#### Footnotes:

<sup>(1)</sup> Includes unclassified sector not shown separately.

<sup>(2)</sup> The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

<sup>(3)</sup> Except public administration.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted

State	Gross		as a percer nonths end		yment	Gross job losses as a percent of employment (3 months ended)				
Sidie	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018
United States <sup>(1)</sup>	6.2	6.0	6.4	6.0	6.1	5.8	6.1	5.6	5.4	5.8
Alabama	5.6	6.0	6.0	6.0	5.8	5.6	5.8	5.4	5.3	5.7
Alaska	10.9	8.7	9.7	9.8	10.9	9.9	10.8	10.2	8.8	10.7
Arizona	6.2	6.6	6.3	6.0	6.0	5.7	5.2	5.3	5.3	5.9
Arkansas	5.4	5.8	6.1	5.4	5.0	5.7	5.5	5.1	5.0	5.6
California	6.9	6.5	6.9	6.4	6.7	6.5	6.3	6.0	5.9	6.3
Colorado	7.0	6.7	6.8	6.8	6.8	6.3	6.5	6.1	6.0	6.1
Connecticut	5.7	5.4	5.3	5.1	5.8	5.2	5.8	5.2	5.2	5.0
Delaware	6.7	6.4	7.0	7.1	6.5	6.6	6.6	6.4	5.9	6.0
District of Columbia	5.7	5.4	5.8	6.0	5.6	5.4	5.2	5.0	4.7	5.5
Florida	6.6	5.8	8.2	6.1	6.5	6.1	7.5	5.3	5.5	6.1
Georgia	6.2	6.2	6.9	6.5	6.2	6.1	6.1	5.6	5.6	6.4
Hawaii	5.2	5.4	5.1	5.0	5.2	5.3	5.1	4.7	4.8	5.5
Idaho	7.3	6.7	7.4	7.9	7.3	6.6	6.8	6.6	5.9	6.7
Illinois	5.7	5.6	6.0	5.7	5.6	5.6	6.0	5.3	5.1	5.5
Indiana	5.7	5.4	5.7	5.6	5.4	5.5	5.6	5.0	5.1	5.5
lowa	5.7	5.5	5.9	5.5	5.7	5.8	5.7	5.3	5.3	5.4
Kansas	5.5	6.3	5.9	5.2	5.7	6.5	5.7	5.2	5.5	5.6
Kentucky	6.1	6.0	6.1	6.2	5.9	6.0	6.0	5.6	5.9	5.6
Louisiana	6.3	6.2	6.2	6.5	6.1	6.6	6.1	6.0	5.8	6.5
Maine	7.7	6.5	7.2	7.2	8.1	6.8	7.5	6.6	7.0	7.1
Maryland	6.4	6.3	6.2	6.3	6.0	6.1	6.2	6.3	5.7	5.8
Massachusetts	6.1	5.4	5.7	5.4	6.1	5.3	5.6	5.4	5.2	5.4
Michigan	5.8	5.3	5.7	5.7	5.6	5.3	6.0	5.4	4.6	5.1
Minnesota	5.7	5.3	5.8	5.3	5.8	5.3	5.7	5.5	5.0	5.3
Mississippi	5.9	5.9	6.3	5.5	5.7	6.0	5.9	5.4	5.8	6.0
Missouri	5.6	5.9	5.7	5.4	5.7	5.6	5.9	5.5	5.2	5.7
Montana	7.9	7.2	8.5	7.8	8.0	7.7	7.9	7.4	7.1	7.8
Nebraska	5.5	5.9	6.2	5.6	5.9	6.1	5.9	5.5	5.5	7.8 5.8
Nevada	6.2	6.2	6.6	6.5	6.1	5.9	5.8	5.2	5.4	5.8
New Hampshire	6.6	5.5	6.7	6.1	6.7	6.0	6.6	5.9	5.9	6.3
New Jersey	6.7	6.0	6.4	5.6	6.5	5.6	6.3	5.8	5.8	5.7
New Mexico	6.8	6.6	6.5	6.3	6.5	6.4	6.3	6.1	5.5	6.2
New York	6.4	6.3	6.2	6.2	6.3	5.8	6.1	5.8	5.6	5.8
North Carolina	6.3	6.0	6.3	6.2	6.1	6.2	6.0	5.5	5.2	5.5
North Dakota	6.8	6.7	6.8	7.0	6.7	6.9	6.7	6.8	6.3	6.2
	5.8	5.3	5.7	7.0 5.5	5.6	5.5	5.7	5.2	5.0	5.4
Ohio Oklahoma	6.6	6.6		6.1	6.3		6.0	5.2	5.5	6.5
	6.7		6.4			6.0			I	
Oregon	I	6.6	6.8	7.8	6.2	6.1	6.4	6.0	5.6	6.2
Pennsylvania	5.5	5.5	5.5	5.2	5.3	5.2	5.2	5.0	4.9	5.1
Rhode Island	6.5	6.0	6.6	6.3	6.3	5.9	6.3	6.0	6.1	6.1
South Carolina	6.1	5.8	7.0	5.9	7.5	6.1	6.2	5.3	4.7	6.5
South Dakota	6.2	5.8	6.4	6.4	6.1	6.2	5.9	5.7	5.9	6.1
Tennessee	5.5	5.4	5.9	5.0	5.5	5.2	5.2	4.9	4.8	5.1
Texas	5.9	5.9	6.4	5.8	5.9	5.4	5.8	5.3	5.1	5.2
Utah	6.8	7.0	7.0	7.4	6.9	6.3	6.3	5.9	6.0	6.3
Vermont	7.9	6.5	7.4	6.4	7.2	6.8	7.8	6.5	7.0	7.3
Virginia	6.4	5.9	6.3	5.8	6.1	5.9	6.2	5.5	5.2	5.8
Washington	7.1	6.4	6.9	7.2	7.3	6.2	6.4	6.0	5.7	6.3
West Virginia	6.4	6.7	6.3	6.8	6.8	6.5	6.3	6.1	5.8	6.4
Wisconsin	5.6	5.0	5.6	5.6	5.4	5.5	5.7	5.0	4.7	5.5
Wyoming	8.6	8.7	8.7	8.4	8.2	9.1	7.9	8.4	8.0	8.3
Puerto Rico	5.4	4.5	7.1	8.4	8.0	5.4	6.8	11.8	6.8	6.2

Note: See footnotes at end of table.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted - Continued

State	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	June 2018
Virgin Islands	6.7	4.2	9.2	12.0	12.5	5.3	11.6	28.2	16.8	8.6

### Footnotes:

<sup>(1)</sup> Totals for the United States do not include data for Puerto Rico or the Virgin Islands.